


TO: Distribution

DATE: October 27, 1994

FROM: Marketing Information & Analysis/Bruce Neidle SUBJECT: Nielsen Analysis - September 1994

The following report is based on the Integrated Nielsen Panel, with monthly data representing the five week period from 8/28/94 to 10/1/94.

**SUMMARY**

- Marlboro's share reached its highest level to date at 29.3%.
- RJR posted its third consecutive monthly share gain.
- The Discount category continued to consolidate, down -0.4 points.
- Doral moved ahead of GPC as the industry's largest discount entry.

**Philip Morris**

- PM's monthly share declined -0.1 point versus month-ago and -0.4 points from its June 1994 peak to 46.2%, with positive Marlboro performance offset by PM Discount declines. PM was favorable versus all benchmark criteria except OPB and B&H.
- Marlboro's share reached 29.3% in September, representing its highest level to date, up +0.2 points versus month-ago and +7.2 points above its March 1993 base level.

During the month, Marlboro was supported at retail with incentive deals (including the 5 pack with t-shirt) and free product offers, with convenience store incidence averaging 13% for both types of promotions.

- Following three consecutive month-to-month losses, PM's Other Premium Brands remained stable versus month-ago at 8.8%.
  - During September, the Merit Awards continuity program was launched, with support including a two page national FSI (Free Standing Insert).

**Competitive Manufacturers**

- RJR posted its third consecutive monthly share gain, advancing +0.2 points versus month-ago and +0.6 points since June to 29.0%. This month's gain was driven by Doral and Camel Filter.
  - Camel Filter's share advanced +0.1 point versus month-ago to 3.9% (its highest level to date), with the franchise likely benefiting from increased incentive and money-off deal support in c-stores.
- Lorillard was the only other company to realize a share gain in September, advancing +0.2 points to 6.6% (its highest level since August 1991), with performance driven by continued Newport growth and introductory contributions from Harley Davidson. During its first month of national distribution, Harley realized a 0.2% share with distribution in 36% of stores.

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Discount Category

- The Discount category's share declined -0.4 points versus month-ago to 30.8%, its lowest level since mid-1992, with the Private Label and Branded Discount segments contributing to the loss.
  - Within the Private Label segment, PM incurred the largest monthly decline, down -0.1 point to 1.4%.
  - Among the major Branded Discount entries, GPC and Cambridge each experienced -0.2 point losses while Doral posted a +0.3 point gain. Doral's gain (its fourth consecutive monthly advance) was likely driven by increased money-off deal activity including expanded use of wholesale buydowns.
- PM Discount's share fell -0.3 points versus month-ago to 8.2%, its lowest level since September 1992. This month's loss reflected continued declines among PM's PLs coupled with a Cambridge decline following its B3G2F promotional gain last month. Basic's share of industry remained stable, while its share of the Discount category expanded +0.2 points versus month-ago to 14.5% (matching its Benchmark level).

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